

# Metropolitan Transportation Commission Programming and Allocations Committee

September 13, 2006

Item Number 3c

## Regional Measure 2: Program Monitoring Update

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**Subject:** Regional Measure 2 Program Update

**Background:** In March staff provided an update on the capital projects in the Regional Measure 2 program. This month, staff has prepared a semi-annual update on the capital program and an annual update on the operating program.

### **Capital Program:**

To date, MTC has approved \$354 million in capital allocations. Over the last six months, there has been some increase in progress and activity on the projects. However, an assessment of the program still shows that spend down of funds is slow, suggesting project sponsors are still requesting allocations in advance of project readiness. In accordance with the pace of project delivery, staff proposes a semi-annual review progress reporting period rather than quarterly for all capital projects, effective July 1, 2006.

### **Operating Program:**

FY 2004-05 was the first year that allocations of RM2 operating assistance were made. These operating projects are subject to MTC-adopted performance standards; however, these do not have to be met until the 3<sup>rd</sup> year of service. The operating projects are monitored on an annual basis and the FY 2004-05 analysis is being presented this month.

The presentation slides are attached for information.

**Issues:** None.

**Recommendation:** Information.

**Attachments:** Presentation Slides

# Regional Measure 2: Program Update

September 13, 2006

Programming and Allocations



METROPOLITAN TRANSPORTATION COMMISSION

# Program Monitoring and Reporting

- T.Y. Lin International
- Semi-Annual Reporting
- Capital and Operating Program



# Status in March 2006

- Toll Revenues (RM1, AB 1171, RM2) comprise 22% of the overall cost of RM2 projects (estimated at \$10 billion).
- Low reimbursement rate on allocations
- Majority of projects in start up mode
- Delivery Issues
  - Full funding on some projects still an issue
  - Cost increases during bid process
  - Scope modifications
- Operating Program is reported on annually; subject to performance measures

# CAPITAL PROGRAM



# Allocation Summary

- 36 Projects in Legislation
- Allocations through August 2006:
  - \$354 million to 28 projects

Project Phase	Allocations	Amount	
		(\$ millions)	Percentage
PA/ED or Study	39	\$ 106	30%
Design	15	\$ 26	7%
Right-of-way	7	\$ 38	11%
Construction	31	\$ 184	52%
Total	92	\$ 354	100%

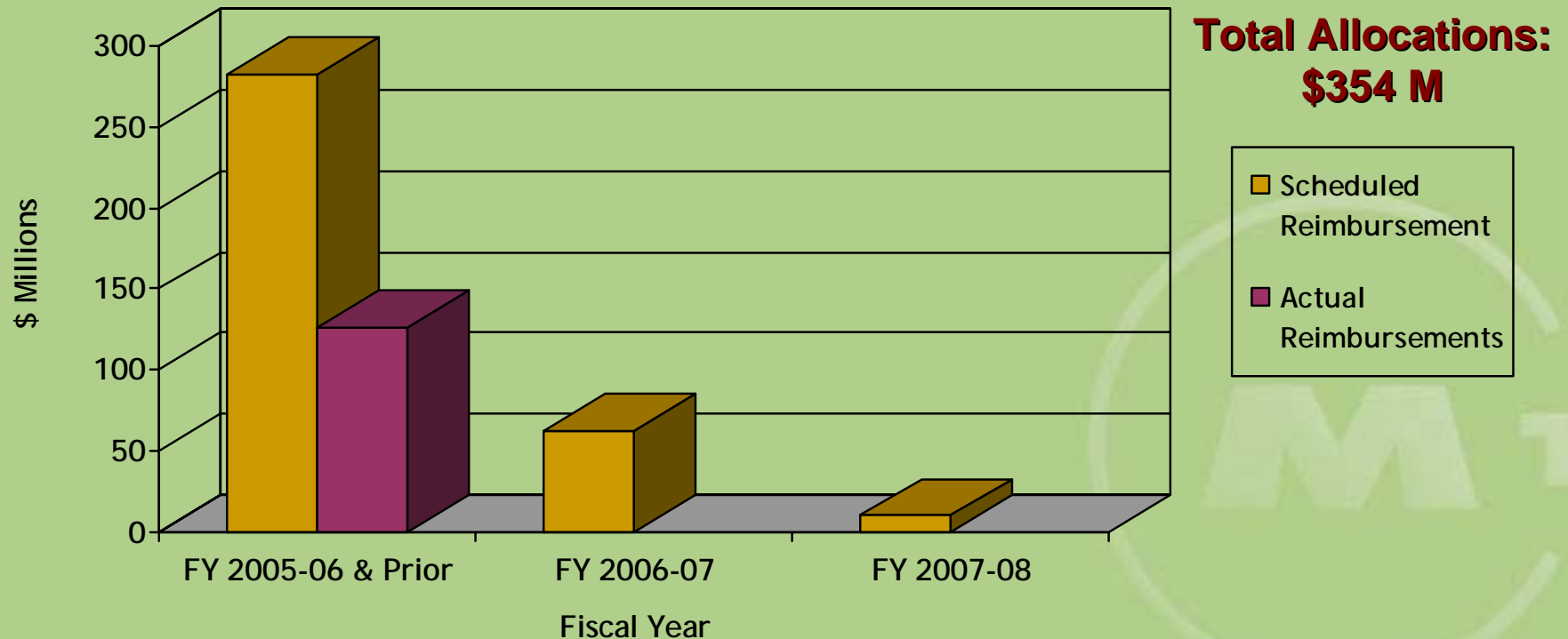
# Construction Allocations

## Major Construction Elements

Benicia-Martinez Bridge	\$50 million
Muni 3 <sup>rd</sup> St. LRT Maintenance Facility	\$30 million
Ferry Vessel Procurement	\$17 million
Real Time Transit	\$15 million
AC Transit Bus Procurement	\$14 million
TransLink®	\$12 million
AC Transit Bus Rapid Transit	\$12 million
I-580 Traffic Management Plan	\$10 million
Muni Historic Streetcar Rehab	\$10 million
<b>TOTAL:</b>	<b>\$170 million</b>

# Reimbursements to Sponsors

- Reimbursements continue to lag
  - Through August 2006: \$126 million (36% of allocated funds)
- Over 50% of the reimbursements are for 2 projects:
  - Transbay Terminal Right-of-Way purchase (\$29 million)
  - Benicia-Martinez Bridge (\$50 million)





# Top 5 Projects with Slow Reimbursement

- Projects highlighted based on the following:
  - 1) Over \$1 million
  - 2) Less than 10% of allocation reimbursed
  - 3) More than 10 months since allocation was approved

Project	Allocations	Total Reimbursed	Percentage Reimb.	Months Since Alloc.
Muni Real-Time	\$11 million	\$ 0	0%	10
WTA Environmental Studies	\$5 million	\$ 0	0%	23
BART to Warm Springs: Utility Relocation	\$6 million	\$ 8,696	0.1%	20
TAM U.S. 101 Greenbrae Interchange	\$4 million	\$ 87,979	2.5%	23
ACCMA Route 84 HOV Lane	\$1 million	\$ 37,116	3.5%	22

# Program Assessment: Within our Control

- Larger projects likely to have problems meeting policy of obtaining environmental clearance approval within 3 years of allocation

**Issue and Remedy:** Projects were not ready for allocation. Allocation requests are being scrutinized more carefully for project readiness.

- Institutional Coordination between Funding Partners

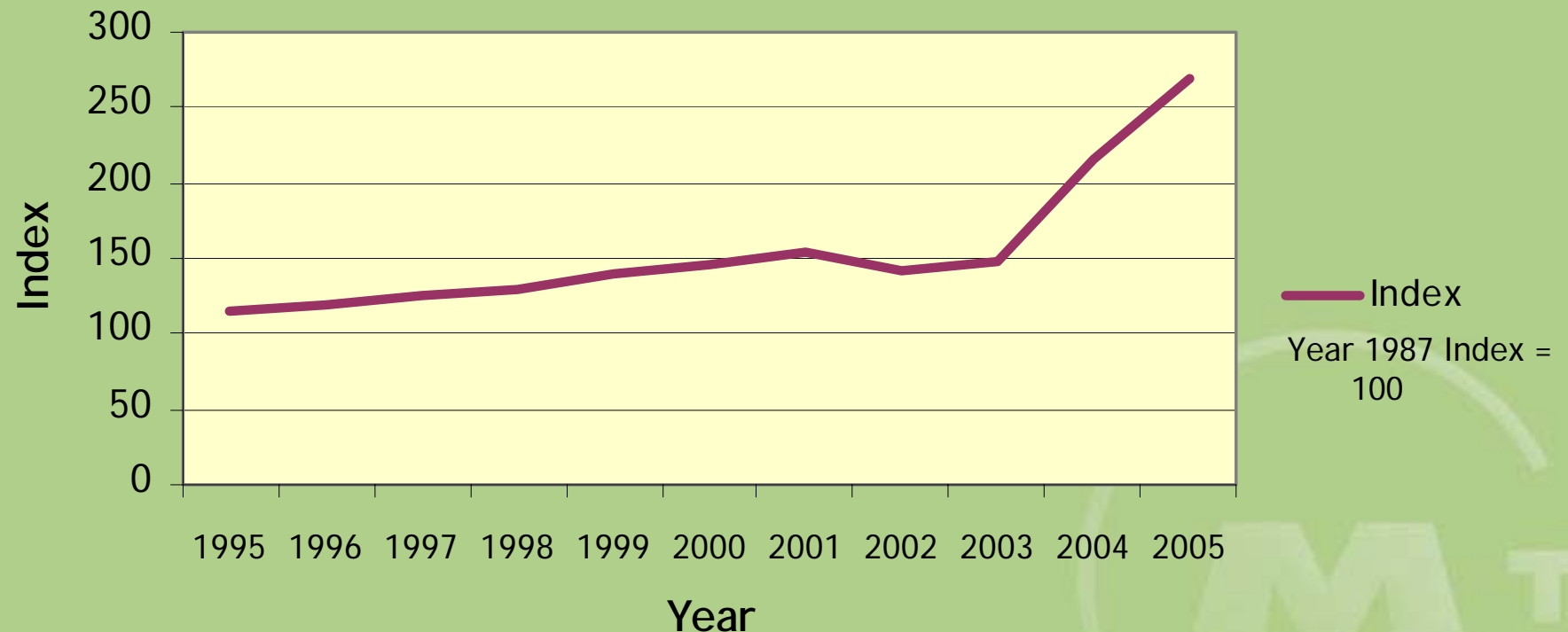
**Issue and Remedy:** Sponsors did not anticipate ongoing negotiations and issues. Prior to allocations, request that funding agreements, letters of support, etc. are executed and sent to MTC.

# Program Assessment: External Influences

- Scope changes during project development
- Statewide construction costs continue to escalate
  - RM2 funds do not escalate
  - Potential funding gap if projects are slow to deliver; Sponsors should consider:
    - Expedited project delivery schedule
    - Identification of additional funds and/or scope changes

# Construction Costs: Statewide Trends

## California Construction Cost Indices Trend



•Source: Department of Transportation, State of California

# Project Milestones: Completed Activities

- Environmental Clearance
  - Central Contra Costa BART Crossover
  - I-580 Traffic Management Plan



- Construction Completion

- Richmond Park & Ride parking lot: Interim improvements
- Greenbrae Interchange Improvement: Widening of Sir Francis Drake Blvd.
- AC Transit International/Telegraph Bus Rapid Transit: Estudillo Transit Hub improvements
- City CarShare: Deployment of 8 new pods and additional vehicles



# Project Focus: Transbay Transit Center/ Downtown Extension

## The Project:

- Multi-modal transit station on the site of the current Transbay Terminal and Caltrain extension & High Speed Rail to this new facility.

## Allocations:

- \$18 million for preliminary engineering work
- \$29 million for right-of-way

## Milestones:

- Approval of Project Implementation Plan in June 2006
- Value management assessment on the Downtown Extension element underway

## Identified Risks:

- Rail extension not fully funded; funding plan dependent on real estate development revenue and HSR Bond
- Consistency of using one architect for private redevelopment and TTC/DTX
- Discussing Right-of-Way allocation requests

## Funding

\$ 150 m (RM2)  
\$ 53 m (RM1)  
\$ 150 m (1171)  
\$1,542 m (Other)  
\$1,463 m (TBD)  
\$3,358 m (Total)



# Project Focus: I-80/I-680/SR 12 (HOV Lane Improvements)

## The Project:

- Construct median HOV lanes from just east of Red Top Interchange to just east of Airbase Parkway Interchange.

## Allocations:

- \$3.475 million for preliminary engineering and environmental work

## Milestones

- Completed technical studies for draft environmental document

## Identified Risks:

- Need to coordinate other Interchange and Caltrans SHOPP projects
- Funding for the overall interchange work is uncertain; especially with the recent county sales tax measure failure

### North Connector

\$ 20 m (RM2)

\$ 33 m (Other)

\$ 53 m (Total)

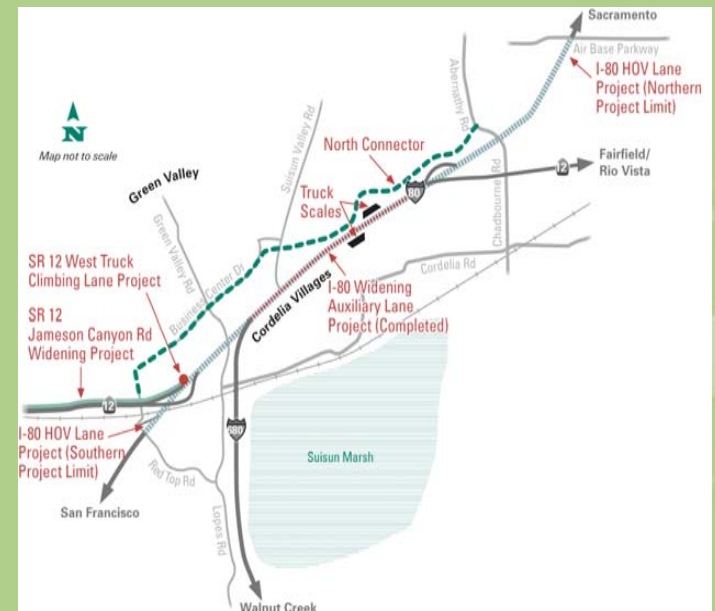
### HOV Lane

\$ 80 m (RM2)

\$ 80 m (Total)

### Entire Interchange Cost

\$ 1.2 billion (Total)





# Project Focus: I-580 Rapid Transit Corridor

## The Project:

- Provide HOV lanes and improved transit connection to BART on I-580 corridor in Tri-Valley.

## Allocations:

- \$8 million for preliminary engineering/ environmental work
- \$8.7 million for construction

## Milestones:

- Environmental Clearance for TMP
- Initiated I-580/I-680 PSR

## Identified Risks:

- Delay in environmental approval for other project elements.
- Construction is dependent on securing discretionary ITIP funding.
- Reservation of RM2 funds for future elements of the project as required by legislation.

## Funding

\$ 65 m (RM2)  
\$ 16 m (RM1)  
\$ 95 m (1171)  
\$ 288 m (Other)  
\$ 464 m (Total)





# Project Focus: Caldecott Tunnel

## The Project:

- Fourth Bore

## Allocations:

- \$7 million for preliminary engineering work

## Milestones:

- Environmental Document Released for Public Comment

## Identified Risks:

- Significant public comments on Draft Environmental Documents from communities on the western end of Tunnel
- Full funding for construction is not yet secured
- Construction procurement methodology needs to be reviewed.
- Inherent risk with tunneling work

## Funding

\$ 50 m (RM2)  
\$ 195 m (Other)  
\$ 145 m (TBD)  
\$ 390 m (Total)



# Project Outlook for Next 6 Months

- **BART Tube Seismic Retrofit:** Completion of Soil Compaction Demonstration Project around tube near Port of Oakland
- **South San Francisco Ferry Terminal:** Environmental Clearance
- **Fremont Grade Separation Project:** Complete advance construction contracts
- **BART Warm Springs Extension:** Environmental Clearance
- **I-580:** Begin installation of traffic management system
- **Caldecott Tunnel:** Environmental Clearance
- **Oakland Airport Connector:** Issue RFP for Public Private Partnership; request bridge toll funding commitment from MTC

# Program Outlook

- **Proposed legislative changes: AB 1407 (Enrolled; Awaiting Governor's signature)**
  - (1) changes to the structure of the Regional Rail Plan, including the governance provisions and due date
  - (2) Allow for reprogramming of funds when project cost savings exist or alternative funds are identified to replace RM2 funds
  - (3) Fare integration study deadline has been extended by one year
- **RM2 could leverage money for I-bonds, if passed**

# OPERATING PROGRAM



# RM2 Operating Program - Background

- Operating support for 14 projects
- Allocations by Fiscal Year
- 1.5% annual escalation for trunkline projects
- Trunkline projects are required to meet MTC-adopted performance standards

# RM2 Operating Program - Background (continued)

Projects	Mode	Annual Amount (\$ in Millions) 1st Year of Funding	Escalation Rate
<b>Trunkline</b>			
Dumbarton Rail	Rail	\$5.5	1.5%
WTA: Alameda/ Oakland/ Harbor Bay *	Ferry	\$6.4	1.5%
WTA: Albany/ Berkeley - S.F.*	Ferry	\$3.2	1.5%
WTA: South S.F. - S.F. *	Ferry	\$3.0	1.5%
Vallejo Ferry	Ferry	\$2.7	1.5%
Golden Gate Express Bus Service over the Richmond Bridge (Route 40)	Bus	\$2.1	1.5%
Napa Vine service terminating at Vallejo Intermodal terminal	Bus	\$0.39	1.5%
Regional Express Bus South Pool (Bay Bridge, San Mateo, and Dumbarton)	Bus	\$6.5	1.5%
Regional Express Bus North Pool (Carquinez, and Benicia Bridge)	Bus	\$3.4	1.5%
Owl Bus Service on BART Corridor	Bus	\$1.8	1.5%

\* A portion of the funds may be dedicated to landside transit operations.

\*\* TransLink® shall receive a total of \$20 million in operating funds between 2005 and 2007

# RM2 Operating Program - Background (continued)

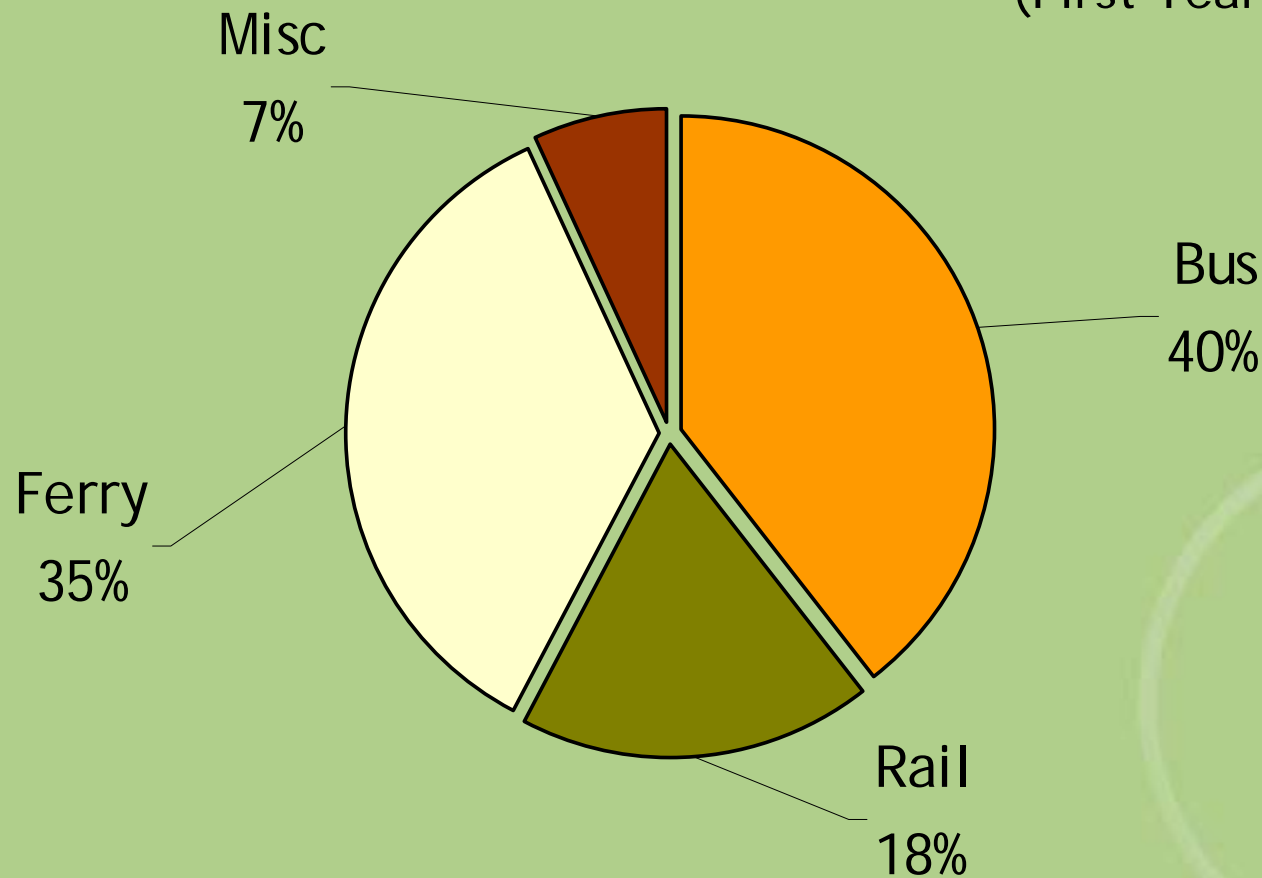
Projects	Mode	Annual Amount (\$ in Millions) 1st Year of Funding	Escalation Rate
Non Trunkline			
WTA System	Misc	\$3.0	0%
MUNI 3rd street	Rail	\$2.5	0%
TransLink® **	Misc	--	0%
AC Transit Enhanced Bus Service: International Blvd and Telegraph Ave.	Bus	\$3.0	0%

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# Operating Projects by Mode

Statutory Program Total: \$43.4 million  
(First Year Funding)





# Performance Standards

- Farebox ratio, stratified by mode and type of service, is the primary standard
- 2<sup>nd</sup> standard requires positive trend in service productivity (passengers/hr.)
- Standards must be achieved by 3<sup>rd</sup> year of service

Service Type	Ferry	Rail	Bus
Peak	40%	35%	30%
All Day	30%	25%	20%
Owl	n/a	n/a	10%

# FY 2004-05 Operating Support

Implementing Agency	Project Description	Allocation
Water Transit Authority	FY 2004-05 Planning Activities	\$3.0 million
Golden Gate Transit	Route 40 service across Richmond-San Rafael Bridge	\$2.1 million
City of Vallejo	Express bus service along the I-80 Corridor	\$0.5 million
City of Vallejo	Augmented ferry service	\$0.7 million
AC Transit	Enhanced bus service in the Berkeley/Oakland/San Leandro Corridor	\$0.3 million
WestCAT	Routes 30Z/JPX Express Bus service	\$0.1 million
AC Transit	Transbay service operations and associated environmental clearance costs	\$0.2 million
	<b>TOTAL:</b>	<b>\$6.9 million</b>

# Performance Results FY 2004-05

- Although this is the first year for these services, the WestCat project met its farebox target
- The AC Transit and Golden Gate Transit projects did not achieve the farebox standard in the first year but are expected to meet the target by Year 3
- The Vallejo projects need additional data to assess these services
- 2<sup>nd</sup> Measure (Change in pass/hr) will be assessed starting with FY 2005-06

	Farebox Target	Farebox Actual
GGT Richmond Bridge	20%	18.8%
Vallejo Express Bus	30%	Not Avail.
Vallejo Ferry	30%	Not Avail.
AC Transit Richmond TransBay	20%	19.6%
WestCat Martinez Express	20%	23.6%

# Additional Performance Data - FY 2004-05

	Average weekday passengers	Passengers per hour
GGT Richmond Bridge service	900	11.8
Vallejo Express Bus *	Not Available	Not Available
Vallejo Ferry *	Not Available	Not Available
AC Transit Richmond TB	670	13.4
WestCat Martinez	430	14.0

\* Reliable data not available

# Reporting Issue: Vallejo

- Vallejo implemented its Ferry enhancements and Express Bus projects in April 2005
- Specific performance data on the ferry increment of service could not be isolated for FY 2004-05
- Performance data by route for Express Bus service was also not available for FY 2004-05
- Vallejo has been developing an approach to generate reliable data; however, we will not be able to determine its adequacy until the FY 2005-06 assessment is completed
- This is a tight timeframe, since the Vallejo projects are required to meet the performance standards in FY 2006-07

# FY 2005-06 Operating Support

- Allocations totaling \$25.3 million were made to 9 of the 14 RM2 operating projects
- This amount is about 52% of the full annual amount authorized in RM2
- The 5 projects not receiving allocations require longer lead times for implementation
  - 3 ferry routes: Alameda/Oakland/Harbor Bay, Berkeley/Albany, South San Francisco
  - Napa express bus
  - Dumbarton rail
- Assessment of the FY 2005-06 operating projects should be completed this Winter



Metropolitan Transportation Commission